

---

# Public Service Commission

FY 2002 Proposed Operating Budget:	\$6,402,844
FY 2002 Proposed Capital Budget:	\$0

---

The Public Service Commission serves the public and the District's interest by ensuring that natural gas, electricity, and telecommunications services are safe, reliable, and affordable for residential, business, and government customers of the District of Columbia.

**The FY 2002 proposed operating budget is \$6,402,844, an increase of \$724,428, or 12.8 percent, over the FY 2001 approved budget.**

## Budget Summary

The FY 2002 proposed operating budget from all funding sources for the Public Service Commission (PSC) is \$6,402,844, an increase of \$724,428, or 12.8 percent, over the FY 2001 approved budget (table DH0-1). There are 68 full-time equivalents (FTEs) supported by this budget, an increase of 10 FTEs over the FY 2001 budget (table DH0-2).

## Strategic Issues

- Ensure market competition delivers universal and accessible services throughout the city.
- Monitor gas and electricity restructuring service plans and rates by working with community advocacy groups.
- Improve efficiency and effectiveness of information delivery regarding "choice" programs.

## FY 2002 Initiatives

- Investigate opportunities to market the District to potential competitors.

- Establish an internship program for local law schools, colleges, and high schools in disciplines such as law, engineering, economics, accounting, marketing, instructional design, and community education.
- Establish and integrate electronic transactions for filing purposes.
- Implement a staff performance program that ties performance to organizational objectives.
- Integrate and manage commission data on an enterprise basis and make it available to employees where they work.
- Expand consumer educational features on the PSC Web site.

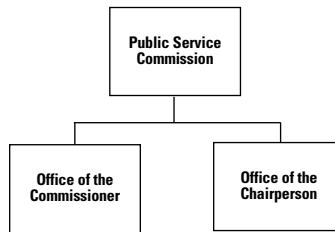
## Agency Background

PSC was chartered in 1913 and established in the Home Rule Charter as an independent agency of the District government responsible for regulating the local gas, electric, and telecommunications industries.

With the deregulation of the telephone industry by the Telecommunications Act of 1996, other utilities such as gas and electricity, have also been

Figure DH0-1

## Public Service Commission



deregulated. Through mandated changes to industry competition, PSC's mission has changed dramatically. The historical roles of regulator and arbitrator have continually evolved with an emphasis on replacing the former roles with new leadership responsibilities in market transition and facilitation. Operating priorities will shift from rate setting to establishing quality service standards, monitoring the market, implementing consumer educational programs, and enforcing agency rules and applicable laws.

### Programs

PSC (figure DH0-1) will endeavor to transform its operations to meet the demands of the final phase of industry restructuring of electric and gas utilities, and will further expand its role in telecommunications. Restructuring PSC coincides with the dynamic changes occurring in the utility sectors serving the District. The new mission will be achieved by encouraging the development of telecommunications and energy markets in which service providers offer a variety of products and services that satisfy consumer demand. The basic tenet of safeguarding the public interest will remain the promotion of safe, reliable, available, and quality utility services.

A business team concept will be employed to manage three primary frontline areas. Teams of attorneys, economists, and technical staff will be established for consumer services, market monitoring, and enforcement. This approach allows issues to be localized, contained, and resolved more efficiently and effectively.

Resource requirements to successfully implement these new strategies will include funding

increases for FY 2002. An additional \$724,428 over FY 2001 will support 10 new positions and mandatory salary increases. The increase provides \$643,178 for three attorneys, two economists, five office assistants, and administrative support for computer equipment, furniture, and office space. An additional \$81,250 will go toward salary increases associated with the Management Supervisory Service (MSS). Total funding of \$6,402,844 is needed in FY 2002 to manage the increasingly complex issues that will challenge consumers, service providers, and PSC in the foreseeable future.

### Funding Summary

The proposed operating budget for all funding sources totals \$6,402,844, an increase of \$724,428, or 12.8 percent, over the FY 2001 budget. PSC receives 1.6 percent of its funding from federal sources, 1.6 percent from private sources, and 96.8 percent from Other (O-type) revenue sources. PSC supports 68 FTEs. Refer to the FY 2002 Operating Appendices (bound separately) for details.

### Federal

The proposed federal budget totals \$103,400, the same level as FY 2001. There is 0.75 FTE supported by federal sources. The funding comes from a Pipeline Safety Grant from the U.S. Department of Transportation (DOT) to inspect natural gas pipeline infrastructure in the District. The grant is jointly funded by DOT and Washington Gas. The federal funding is received from DOT.

Table DH0-1

**FY 2002 Proposed Operating Budget, by Comptroller Source Group**

(dollars in thousands)

Public Service Commission

	<b>Actual FY 2000</b>	<b>Approved FY 2001</b>	<b>Proposed FY 2002</b>	<b>Change from 2001</b>
Regular Pay, Continuing full Time	2,845	3,009	3,548	540
Regular Pay - Other	23	484	484	0
Additional Gross Pay	67	0	0	0
Fringe Benefits	395	551	626	75
<i>Subtotal Personal Services (PS)</i>	<i>3,330</i>	<i>4,044</i>	<i>4,659</i>	<i>615</i>
Supplies and Materials	45	31	31	0
Communications	59	60	60	0
Rentals - Land and Structures	1,043	725	812	87
Other Services and Charges	326	332	333	0
Contractual Services	350	352	352	0
Equipment and Equipment Rental	115	134	157	23
<i>Subtotal Nonpersonal Services (NPS)</i>	<i>1,937</i>	<i>1,634</i>	<i>1,744</i>	<i>109</i>
<b>Total Proposed Operating Budget</b>	<b>5,268</b>	<b>5,678</b>	<b>6,403</b>	<b>724</b>

Table DH0-2

**FY 2002 Full-Time Equivalent Employment Levels**Public Service Commission

	<b>Actual FY 2000</b>	<b>Approved FY 2001</b>	<b>Proposed FY 2002</b>	<b>Change from FY 2001</b>
Continuing full-time	43	58	68	10
Term full time	7	0	0	0
<b>Total FTEs</b>	<b>50</b>	<b>58</b>	<b>68</b>	<b>10</b>

**Private**

The proposed budget for private revenue sources totals \$103,400, the same level as FY 2001. There is 0.75 FTE supported by private revenue sources. The majority of these funds are dedicated to the Business Improvement District program. The private funding received through the Pipeline Safety Grant comes from Washington Gas.

**Other**

The proposed Other revenue budget totals \$6,196,044, an increase of \$724,428 over the FY 2001 approved budget. Of this increase, \$614,958 is for personal services to support additional new staff and salary increases associated with MSS. The increase of \$109,470 in nonpersonal services supports administrative requirements for computer equipment, furniture, and office space associated

Table DH0-3

**FY 2002 Proposed Operating Budget, by Revenue Type**

(dollars in thousands)

Public Service Commission

	Actual FY 1998	Actual FY 1999	Actual FY 2000	Approved FY 2001	Proposed FY 2002
Local	3,881	0	0	0	0
Federal	61	75	113	103	103
Private	0	0	0	103	103
Other	182	4,889	5,155	5,472	6,196
<b>Gross Funds</b>	<b>4,124</b>	<b>4,964</b>	<b>5,268</b>	<b>5,678</b>	<b>6,403</b>

with the new positions for FY 2002. There are 66.5 FTEs supported by Other revenue sources, an increase of 10.5 FTEs over the FY 2001 approved budget.

**Trend Data**

Table DH0-3 shows expenditure histories for FY 1998–FY 2002.

**Agency Goals and Performance Measures****Goal 1. Fostering fair and open competition among services providers.**

*Citywide Strategic Priority Area:* Making government work

*Manager:* Daniel S. Flores, Chief of Staff

*Supervisor:* Angel M. Cartagena, Jr., Chairman

**Measure 1.1: Percent of time that orders are issued within 15 business days of receipt of all information from Competitive Local Exchange Carriers**

	1999	2000	Fiscal Year		
			2001	2002	2003
Target	100	100	90	90	100
Actual	60	42	-	-	-

**Measure 1.2: Percent of utility company tariffs that are processed within 120 days**

	1999	2000	Fiscal Year		
			2001	2002	2003
Target	90	90	80	90	95
Actual	71	53	-	-	-

**Measure 1.3: Percent of formal complaints that have decisions issued within 20 days after the close of the record**

	1999	2000	Fiscal Year		
			2001	2002	2003
Target	N/A	N/A	80	85	90
Actual	N/A	N/A	-	-	-

**Measure 1.4: Percent of payphone complaints resolved informally in 15 days**

	1999	2000	Fiscal Year		
			2001	2002	2003
Target	N/A	N/A	80	75	80
Actual	N/A	N/A	-	-	-

**Measure 1.5: Percent of outreach activities rated as good or excellent**

	1999	2000	Fiscal Year		
			2001	2002	2003
Target	75	85	90	90	90
Actual	100	100	-	-	-

Note: In FY 2000, 74 outreach activities were held, but rating sheets were only returned for 15 of the 74 activities.